

UNAUDITED



TWO'S COMPANY LLC
A SOLE MEMBER LLC

PROSPECTIVE PROFIT & LOSS - INCOME TAX BASIS

FOR THE YEARS ENDED DECEMBER 31, 2022, DECEMBER 31, 2023, & DECEMBER 31, 2024

	<u>2022</u>	<u>2023</u>	<u>2024</u>
Restaurant Sales	\$ 691,331	\$ 725,898	\$ 762,193
Catering	6,000	6,000	6,000
Vending Income	9,000	9,000	9,000
Rent	45,000	45,000	45,000
Total Income	<u>751,331</u>	<u>785,898</u>	<u>822,193</u>
Cost of Sales			
Purchases	355,568	373,346	392,013
Total Cost of Sales	<u>355,568</u>	<u>373,346</u>	<u>392,013</u>
Gross Profit	335,764	352,552	370,179
Operating Expenses			
Wages	143,554	147,861	152,296
Payroll Taxes	10,982	11,311	11,651
Office Expenses	1,440	1,512	1,588
Utilities	30,866	32,409	34,030
Insurance	7,875	8,269	8,682
Legal and Accounting	5,700	6,000	6,300
Repairs	7,800	8,190	8,600
Advertising	6,600	6,732	6,867
Supplies	3,000	3,150	3,308
Laundry	21,000	21,000	21,000
Sales Tax	41,323	43,224	45,221
Real Estate Taxes	3,300	3,465	3,638
Unemployment	998	1,028	1,059
Licenses	1,295	1,295	1,295
Fees	17,276	18,080	18,925
Total Operating Expenses	<u>303,010</u>	<u>313,527</u>	<u>324,459</u>
Net Income	92,754	99,025	105,721
Officer Draw	<u>42,000</u>	<u>42,000</u>	<u>42,000</u>
Net Profit available for Debt Service	50,754	57,025	63,721

See Independent Accountant's Compilation Report

GASSNER CO., S.C.

Certified Public Accountants

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To Management
Two's Company LLC
A Sole Member LLC
Mosinee, Wisconsin

Management is responsible for the accompanying financial statements of Two's Company LLC, a sole member LLC, which comprise the prospective statements of profit and loss - income tax basis for the years ended December 31, 2022, December 31, 2023, and December 31, 2024, and for determining that the income tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

The prospective financial statement is prepared in accordance with the income tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Due to the ordinary course of business, the prospective results of the financial statements may not be achieved. As such, Gassner Company S.C. assumes no responsibility to update the report for events and circumstances that occur after the date of the report.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.



GASSNER COMPANY, S.C.
Certified Public Accountants

Wausau, Wisconsin
April 27, 2022

- Assumptions:
- 2022 prospective income is based on 15 month average, with increase of 3% due to costs inflations.
- No major repairs / improvements in next 3 years, all current kitchen equipment and fixtures are new
- Sales / Catering prices will increase with food costs. Owner will periodically adjust to match market price
- Catering is estimated on serving 4500 individuals, \$10 per plate. Reasonable based on historical catering events
- Payroll will increase 3% each year to adjust for inflation
- Unemployment (0.7%) and Payroll Tax (7.65%) will vary based on Payroll costs
- Utilities will increase 10% each year
- Insurance will increase 5% each year
- Fees expense account is tied to credit card fees, will fluctuate depending on sales
- Sales Tax (5.5%) will fluctuate according to sales
- Advertising will increase 2% each year